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HATCH STATEMENT AT FINANCE COMMITTEE MARKUP ON MEDICARE PHYSICIAN PAYMENT & CHILD WELFARE BILLS

WASHINGTON – U.S. Senator Orrin Hatch (R-Utah), Ranking Member of the Senate Finance Committee, today delivered the following opening statement at a committee markup on the Sustainable Growth Rate (SGR) Repeal and Medicare Beneficiary Access Improvement Act and the Supporting At-Risk Children Act:

Thank you, Mr. Chairman. I, too, want to take a moment to recognize Mark Blair for his 30 years of service on the Finance Committee.

That really is an achievement. In fact, it is my understanding that Mark is one of only two staffers in the history of the committee to reach that milestone.

He has served under seven different chairmen, including Chairmen Dole, Packwood, Bentsen, Moynihan, Roth, Grassley and, of course, Baucus.

Needless to say, that is impressive.

Mark is a true professional. His work here on the committee is greatly appreciated. I want to thank him for his dedicated public service and for all he does for us here on the committee.

Thank you, Mark. And, thank you to all of his family members that have joined him here today.

Mr. Chairman, today the committee will hopefully report our legislation to repeal the sustainable growth rate (SGR) system.

This legislation represents almost a year of hard work from people on both sides of the aisle and both sides of the Capitol. This is truly a bipartisan, bicameral effort.

The House Energy and Commerce Committee has already reported a bill to repeal the SGR. And, today, the House Ways and Means Committee will report a bill similar to ours.

In these partisan times, it is truly a testament to our commitment to our seniors and physicians that we can come together on a policy that has all three committees of jurisdiction moving forward in a bipartisan way.

I think this process can serve as an example of how things can and should get done here in Congress.

The SGR is a problem that has plagued us for over a decade. Virtually every year, there is a mad dash to find billions of dollars in Medicare provider cuts to pay for a doc fix.

Since 2003, we've had to patch the SGR 15 times, at a total cost of \$150 billion.

If enacted, our bill will put an end to all of this.

In drafting this proposal, we have had almost a year's worth of hearings, roundtables, and countless meetings to get feedback from everyone involved, including physician and other health care provider groups as well as policy experts. And, the legislation has been shaped and altered in response to that feedback.

Consequently, a number of these organizations have already publicly expressed their support for this legislation, including the American Medical Association, the American Osteopathic Association, the American Academy of Family Physicians, the American College of Radiology, and the American College of Cardiology.

The timing of this legislation is fortunate, thanks to recent Congressional Budget Office estimate that put the cost of permanently repealing the SGR at \$116 billion over ten years. Previous CBO estimates were more than double that amount.

Now, I know there is some trepidation out there when it comes to the cost and the current lack of offsets.

Let me say it in no uncertain terms: This bill will be offset. Period.

I have had extensive discussions with Chairmen Camp and Upton in the House on this matter and Chairman Baucus and I have agreed that, once the bill is out of committee, we will sit down to find suitable offsets.

Let me repeat myself, just so it's clear: This bill will be paid for.

Like many policy efforts, repealing the SGR is a process. Reporting the bill out of the Finance Committee is an important step in that process, but we are still only at the beginning.

I urge my colleagues to take this step with us. It is my hope that we'll get a strong bipartisan vote in favor reporting the bill today.

This is a historic opportunity for this committee.

But, a policy change of this magnitude needs to have the input of the entire Senate and I know both Senator Baucus and I are committed to a robust regular order process on the floor just like we have had here in the committee. Our members have great ideas and we will continue to work through the process – but it is essential that we accomplish this first step today.

In addition to the SGR bill, we will also be marking up a package of Medicare and Medicaid extenders that have been carefully negotiated to move the process forward.

For the first time, we have taken a thorough and complete look at each of these extenders. For those we believe are still justified, we will make them permanent. For others, we will extend for a period time so we can continue to assess them.

Finally, we will report the Supporting At-Risk Children Act, another piece of bipartisan, bicameral legislation.

If enacted, this bill will make important reforms by promoting adoption, addressing the domestic sex trafficking of children and youth, and improving the collection and dissemination of child support.

The bill draws from a number of proposals from several members of the committee. I would particularly like to thank the Chairman for including a number of key provisions in the trafficking title from legislation I introduced this year, the Improving Outcomes for Youth At Risk for Sex Trafficking, otherwise known as, I O Youth.

This is another important bill. I hope all of my colleagues will support it.

Mr. Chairman, it appears that we're going to get a lot done today. I commend you for your work on these bills and I'm glad I've had the opportunity to work with you in these efforts. Thank you, once again, Mr. Chairman.

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